



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

West Desert District Office
2370 South 2300 West
Salt Lake City, Utah 84119
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www.ut.blm.gov/saltlake_fo



IN REPLY REFER TO:

3507 ((UTW011))

UTU-88800-UTU-88805

UTU-88814-UTU-88820

UTU-88842-UTU-88852

MAY 31 2012

RECEIVED

JUN 04 2012

DIV. OF OIL, GAS & MINING

Mr. Foster Wilson
14605 Geronimo Trail
Reno, NV 89521

Dear Mr. Wilson:

On January 4, 2012, the Bureau of Land Management (BLM) Salt Lake Field Office (SLFO) received your applications for potassium prospecting permits, UTU-88800 UTU-88805, UTU-88814, and UTU-88820 from the BLM Utah State Office (USO). On May 14, 2012, the SLFO received a second set of applications, UTU-88842 and UTU-88852. Both sets of applications are for public lands located in the Pilot Valley of western Box Elder and Tooele Counties.

The SLFO has reviewed your applications and found that they are in general compliance with the Pony Express and Box Elder Resource Management Plans and do not currently lie within a Known Potash Leasing Area (KPLA). The BLM is preparing and will provide you with an estimate of its processing costs by decision as authorized by the regulations in 43 CFR 3505.12 which you will be required to submit to our office before further processing can continue.

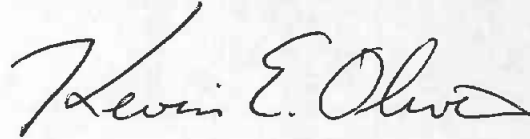
Since the area where the applications have been filed is not a KPLA, a mineral evaluation report will be completed by BLM to determine if prospecting is necessary to determine the existence or workability of the potassium deposit. The BLM will also review all known existing geologic and hydrologic studies in the area to determine the nature of the potassium resource and potential environmental issues.

If it is determined that prospecting is necessary, you would then be asked to submit a detailed exploration plan as required by 43 CFR 3505.4 showing how you intend to determine the existence and workability of a valuable deposit. Once the exploration plan is reviewed and approved, an analysis under the National Environmental Policy Act (NEPA) would have to be completed before exploration could begin. Based on our preliminary review of the applications we have received, the area applied for may have substantial environmental issues.

The Hasting Cutoff of the California National Historic Trail is located on portions of your application area. The potential impacts of your proposed project will need to be fully analyzed in the NEPA document. In addition, prior to issuance of the prospecting permit a reclamation bond will be required under 43 CFR 3504.50.

If you have any questions, or require additional information, please feel free to contact Stephen Allen, SLFO Geologist, or my staff at (801) 977-4360.

Sincerely,

A handwritten signature in black ink, reading "Kevin E. Oliver". The signature is fluid and cursive, with the first name "Kevin" being more prominent than the last name "Oliver".

Kevin E. Oliver
West Desert District Manager

cc: ✓ Lynn Kunzler, UDOGM, 1594 West North Temple, Ste. 1210# Box 145801, SLC, UT
84114-5801

Leslie Heppler, UDOGM, 1594 West North Temple, Ste. 1210# Box 145801, SLC, UT
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UT920 - Roger Bankert